



**PROBLEMS FACED BY LOCAL FRANCHISEES IN
RUNNING THEIR BUSINESS: A STUDY OF FRANCHISEES
IN SELANGOR**

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FACULTY OF BUSINESS MANAGEMENT
UNIVERSITY TEKNOLOGI MARA**

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DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONORS (INTERNATIONAL BUSINESS)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
“DECLARATION OF ORIGINAL WORK”**

I, **HANA HARLINA MOHAMED ABDULLAH**, (I/C Number: 871002-14-5814)

Hereby, declare that:

- This work has not been previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except whereby stated
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

Date: 7 May 2010

LETTER OF SUBMISSION

7th May 2010

The Head of Program
Bachelor of Business Administration with Honors
(International Business)
Faculty of Business Management
Universiti Teknologi Mara
Melaka

Dear Sir/Madam,

SUBMISSION OF PROJECT PAPER (BM226)

Attached is the project paper titled **“PROBLEMS FACED BY LOCAL FRANCHISEES IN RUNNING THEIR BUSINESS: A STUDY OF FRANCHISEES IN SELANGOR”** to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi Mara.

Thank you.

Yours sincerely,

HANA HARLINA MOHAMED ABDULLAH

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Bachelor of Business Administration with Honors (International Business)

ABSTRACT

This study was conducted among local franchisees from various franchise sectors like food, service and maintenance, nursery, beauty centre, etc. around Selangor district amongst others Klang Valley, Ampang, Cheras, Kajang, Bangi and many more. The purpose of the study is to study the problems faced by local franchisees in running their franchise business and to identify possible solutions for the unresolved conflicts between the franchisor and the franchisees. All information were obtained through observation, informal interviews and other secondary data from journals, newspaper and online articles. The study identified four main issues relating to the problems faced by local franchisees, amongst others, lack of effective communication and communication techniques, limited creativity and decision making, franchise fees and royalty and also franchisor's frustration. Through observation, the researcher found that franchisees have unresolved conflicts with their franchisors but did not make them known to the franchisors for resolution. At the end of the study, the researcher offers few recommendations for future study that include encouraging dual communication between franchisor and franchisee, to appoint franchise consultant and last but not least to view the franchisee as an intelligent agent.

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